



Sarah Kenney <skenney@barringtonhills-il.gov>

VBH BOT FYI Planning

1 message

Robert Kosin <rkosin@barringtonhills-il.gov>
To: Dolores Trandel <clerk@barringtonhills-il.gov>
Cc: Sarah Kenney <skenney@barringtonhills-il.gov>

Wed, Apr 20, 2011 at 7:44 AM

Village nixes impact fees
By CHELSEA McDOUGALL - cmcdougall@nwherald.com
NW Herald
Created: Wednesday, April 20, 2011 5:30 a.m. CDT

HEBRON – Village officials voted, 4-3, on Monday to eliminate the village's impact fees for the next two years.

The trustees' vote initially was split, but Village President Frank Beatty voted yes to break the tie.

"I believe this will spark some growth in the village of Hebron," Beatty said.

Trustees Matt Appner, Jim Kastner and Mark Mogan voted no. Sharon Pohlman, Sue Ritzert and Mark Shepherd voted yes.

Impact fees are paid by developers and collected by taxing bodies to help offset the cost of school or infrastructure burdens before the first year of taxes are paid.

The fees will be eliminated starting May 1 on all new housing starts in a move that could save builders an estimated \$14,000 to \$17,000 per home.

Mogan said the housing market was not ready for such a tactic to draw housing development with a market that is flooded with foreclosures and stalled projects.

"I don't see a lot of growth coming to the village in the next two years," Mogan said. "It would be nice if there was. [The taxing bodies are] all hurting so bad. ... I don't think we need to take any more money away from them."

School districts are the biggest recipients of impact fees, but others who collect them include public safety, parks and street departments.

Beatty has said the elimination would help subsidize a \$4.5 million loan that paid for the water and sewer treatment plant.

"We have a sewer plant to pay for," Ritzert said. "We've got about two more years before we would not be able to make our payments based on the way things are going."

Water and sewer rates would "double or triple" if the plan didn't move forward, Beatty said; however, smaller increases still are imminent.

The two-year time frame could be amended at any time, Beatty said.

"If we need to extend it, we will extend it," he said. "If we need to amend it and go back to traditional impact fees, we will do that also."

###
